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May 1, 2006

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

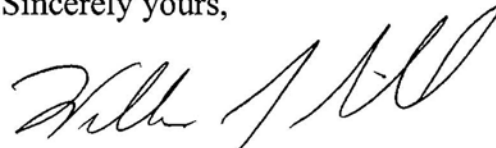
Re: *Eastern Sub-RSA Limited Partnership Quarterly E911 Status Report*
CC Docket No. 94-102

Dear Ms Dortch:

Pursuant to the Commission's *Order* in the above reference proceeding,¹ Eastern Sub-RSA Limited Partnership ("ESRLP") hereby submits its E911 status report ("Report"). This Report provides the Commission with the current status of ESRLP's progress towards compliance with the 95% handset penetration requirement set forth in Section 20.18(g)(1)(v) of the Commission's Rules.²

Please contact the undersigned if you should have any questions regarding this Report.

Sincerely yours,



William J. Sill

¹ See *In the Matter of the Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems*, CC Docket No. 94-102, *Order*, FCC 06-25 (rel. Mar. 8, 2006); see also Request for Limited Waiver of Eastern Sub-RSA Limited Partnership, CC Docket No. 94-102 (filed Dec. 5, 2005).

² See 47 C.F.R. § 20.18(g)(1)(v).

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of)
)
Revision of the Commission's Rules to Ensure) CC Docket No. 94-102
Compatibility with Enhanced 911 Emergency)
Calling Systems)
)

To: The Commission

**EASTERN SUB-RSA LIMITED PARTNERSHIP'S QUARTERLY HANDSET
PENETRATION STATUS REPORT**

Eastern Sub-RSA Limited Partnership ("ESRLP"), by its attorneys, and pursuant to the Commission's March 8, 2006 *Order* in the above captioned proceeding¹ was granted a limited waiver of the 95% handset penetration rate for its subscribers until October 31, 2006, and was required to file quarterly reports ("Quarterly Report") during the extension period.² ESRLP hereby submits its first status report regarding its compliance with the 95% handset penetration requirement set forth in Section 20.18(g)(1)(v) of the Commission's Rules.³

ESRLP offers its subscribers the flexibility to subscribe to either its pre-paid program or post-paid program. Under the former, a subscriber purchases a specified dollar amount of service prior to utilizing the service and in the latter, a subscriber is billed on a monthly basis after service has been rendered. This Quarterly Report includes data and information from both programs.

I. Number and Status of Phase II Requests From PSAPs

ESRLP provides cellular service on the B2 portion of the Block B frequencies in the Washington 5 – Kittitas RSA (Call Sign KNKQ283). To date, ESRLP has received 3 valid

¹ See *In the Matter of the Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems*, CC Docket No. 94-102, *Order*, FCC 06-25 (rel. Mar. 8, 2006) ("Order"); see also Request for Limited Waiver of Eastern Sub-RSA Limited Partnership, CC Docket No. 94-102 (filed Dec. 5, 2005) ("Limited Waiver Request").

² See *Order*, FCC 06-25 at ¶¶ 15-17.

³ See 47 C.F.R. § 20.18(g)(1)(v).

requests for Phase II E911 service. All of these requests have been fulfilled and Phase II service is being provided.

II. Dates On Which Phase II Service Has Been Implemented/Estimated Dates On Which Phase II Service Will Be Available to PSAPs Served by Its Network

Phase II service has been implemented for the following PSAPs:

<u>PSAP Name</u>	<u>Implementation Date</u>
Grant County, Washington	May 2005
Lincoln County, Washington	May 2005
Adams County, Washington	May 2005

Furthermore, ESRLP remains committed to providing Phase II service to any and all requesting PSAPs served by ESRLP's network within six months following receipt of a valid request for such service, as required by Section 20.18(g)(2) of the Commission's Rules.

III. Status of Coordination Efforts with PSAPs for Alternative 95% Handset Penetration Rates

ESRLP remains in regular contact with the appropriate public safety officials in its service area regarding the implementation of Phase I and Phase II E911. ESRLP believes the relevant PSAPs in ESRLP's service area are aware of ESRLP's handset deployment plan. On a going forward basis, ESRLP plans to send all relevant PSAPs updates of ESRLP's ALI-capable handset efforts.

IV. Efforts To Encourage Customers To Upgrade To Location-Capable Handsets

As reported in the Limited Waiver Request, ESRLP is on a clear path to full compliance. ESRLP has outlined and already embarked upon a multi-faceted, clear campaign towards full compliance with the Commission's rules. Specifically, to meet the 95% handset penetration rate by October 31, 2006, ESRLP has implemented the following multi-tiered campaign to encourage customers to upgrade to an ALI-compliant handset:

- 1) Since November 2003, ESRLP has provided ALI-capable handsets at no charge to new customers that selected a two year contract. ESRLP anticipates that this offering saves customers an average of \$120.
- 2) For existing post-paid customers, ESRLP offers \$100 ALI-capable handset discount to customers who choose to renew their service for two years. To further motivate its post-paid customers and its pre-paid customers, ESRLP has begun offering these subscribers a \$35 handset discount when they switch to an ALI-capable handset.
- 3) ESRLP produced and utilizes in-store, point-of-purchase flyers to ensure that its current and prospective subscribers are notified of their ability to trade-in their analog handset for a free digital phone.

- 4) ESRLP also reminds its subscribers of the free digital phone offer either directly on their monthly statement or via an insert mailed along with their monthly statement.
- 5) Information regarding customer options to upgrade to ALI-capable phones is also available on ESRLP's website.
- 6) To further motivate existing analog handset customers to upgrade their phone, starting in December 2005, ESRLP began giving 500 bonus minutes to qualified post-paid subscribers who choose to upgrade their analog handsets. To incent pre-paid subscribers to switch to ALI-capable handsets, in March 2006, ESRLP implemented a program to give these pre-paid subscribers a \$10 service credit when they make the switch.
- 7) ESRLP has been analyzing the results of steps 1-6 and, as a result, designed a direct mail flyer program and a direct phone call program, to reach customers who have not yet traded in their analog phones. ESRLP's direct mailings will be sent out at the beginning of May 2006. In addition, ESRLP direct phone call campaign, which will also begin the first week of May 2006, has the goal of contacting each subscriber with a non-ALI capable handset by the end of May to urge them to trade-in their analog handsets and answer any questions they might have about the benefits of Phase II service.
- 8) ESRLP plans to introduce a digital bag-phone manufactured by Motorola which will have the transmission and coverage characteristics that rival analog phones. As a small, rural Tier III carrier, ESRLP does not have the purchasing power sufficient to purchase handsets directly from manufacturers. Instead, ESRLP must utilize third party handset vendors. ESRLP's vendors have been unable to secure these digital bag phones for ESRLP and estimate that the digital bag phones will not be made available to ESRLP until third Quarter 2006. In the interim, ESRLP will continue to market and install external antennas and signal boosters that can be attached to its ALI-capable digital handsets to enhance their range.
- 9) ESRLP has embarked on a significant build out campaign to construct additional facilities that will enhance the quality of its digital coverage and thus diminish any subscriber perception that currently, analog coverage exceeds digital coverage. ESRLP plans to construct 8 digital sites in 2006, which represents a 36% increase in the number of digital cells in the system.

V. Percentage of Customers with Location Capable Phones

As of the date of the instant filing, 92.7% of ESRLP's customers have upgraded to ALI-capable handsets which represents an increase of 2.7%.⁴ ESRLP is encouraged that it has been

⁴ After ESRLP had filed its Limited Waiver Request, counsel to ESRLP received a telephone inquiry from Commission staff regarding the handset penetration rate ESRLP reported. Upon investigation, ESRLP discovered that the 82.50% penetration rate reported in the Limited Waiver Request was actually 90%. On March 31, 2006, ESRLP, by its attorneys, informed Commission staff by telephone of the error, explained how it occurred, and assured the

(continued on next page)

able to come within three percentage points of the 95% benchmark. Anticipating that the remaining three percent may be analog 'die hards,' ESRLP will intensify its efforts so that it can hopefully reach its goal prior to October 31, 2006.

VI. Detailed Information on the Status in Achieving Compliance

ESRLP is on schedule to meet the revised deadline of October 31, 2006. As discussed in detail in Section IV. *supra*, ESRLP has an extensive marketing and a customer incentive plan which has already shown impressive results. ESRLP will continue to commit its resources and capital to convince analog handset users to trade-in their phones for digital ALI-capable handsets.

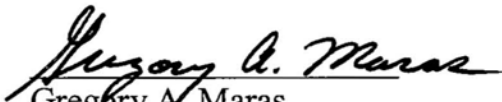
Commission that ESRLP would still meet the October 31, 2006 deadline as set forth in the *Order*. ESRLP offered to immediately file a letter with the Commission explaining the source of the discrepancy but was instead instructed by Commission staff to fully disclose the circumstances surrounding the calculation error in the instant report. The miscalculation resulted from ESRLP's employee in charge of calculating the penetration rate incorrectly interpreting the data concerning the number of ALI handsets used by ESRLP's prepaid handset customers. Upon discovery of the error, ESRLP immediately implemented steps to educate its staff on which digital handsets are ALI-capable and to revamp its database to ensure the accuracy of its handset penetration percentages. ESRLP regrets the error.

DECLARATION OF GREGORY A. MARAS

I, Gregory A. Maras, do hereby declare under penalty of perjury the following is true and correct:

1. I am the Secretary of Inland Cellular Telephone Company, General Partner of Eastern Sub-RSA Limited Partnership.
2. I have reviewed the foregoing Quarterly Handset Penetration Status Report and believe it to be true and correct to the best of my knowledge, information and belief.

This declaration is executed on this 28th day of April, 2006.

A handwritten signature in cursive script, reading "Gregory A. Maras", written in black ink.

Gregory A. Maras
Secretary of General Partner
Inland Cellular Telephone Company